

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN

UNITED STATES OF AMERICA,

Plaintiff,

20-CR- **220**

[18 U.S.C. § 1343]

EDWARD MATTHES,

Defendant.

INFORMATION

THE UNITED STATES ATTORNEY CHARGES THAT:

Background

1. At all times relevant to this information:
 - a. Edward Matthes (“Matthes”) was an independent contractor insurance agent for Mutual of Omaha Insurance Company and a representative for its wholly owned subsidiary, Mutual of Omaha Investor Services, Inc. (“MOIS”).
 - b. MOIS was a Financial Industry Regulatory Authority (“FINRA”) registered broker-dealer and a United States Securities and Exchange Commission (“SEC”) registered investment advisor.
 - c. Matthes operated an office in Oconomowoc, Wisconsin, from which he provided financial advice to his clients and sold investment products for MOIS.

The Wire Fraud Scheme

2. Beginning in approximately April 2013 and continuing through March 2019, in the State and Eastern District of Wisconsin and elsewhere,

EDWARD MATTHES

knowingly devised and executed a scheme to defraud and to obtain money from his client investors using materially false and fraudulent pretenses, representations, and promises.

3. In furtherance of the scheme, Matthes persuaded at least twenty-three of his clients to transfer funds from their existing investment accounts to new MOIS accounts, which he stated would perform better than what the clients were currently earning. In some instances, Matthes obtained written authorizations from clients, which allowed him to independently transfer funds from their existing accounts, and in other instances, Matthes directed clients to withdraw funds from their investment accounts, deposit the money into their bank accounts, and send personal checks made payable to Matthes, “c/o MOIS.”

4. Instead of reinvesting his clients’ money in accounts opened on their behalf, Matthes diverted the money into bank accounts he held at U.S. Bank and converted it to his personal use.

5. Matthes falsely assured his clients that their investments were “on track” by sending fictitious account statements, which purportedly documented each clients’ current account balances, and by calling and meeting with clients to discuss their investment performances.

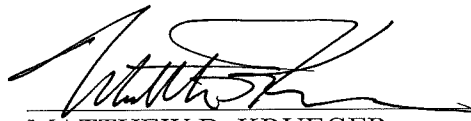
6. As a result of Matthes’ scheme, he fraudulently obtained more than \$ 2.6 million dollars in client funds.

Executions of the Scheme

7. On or about the dates set forth below, in the State and Eastern District of Wisconsin and elsewhere, for the purpose of executing the above-described scheme, Matthes knowingly and with intent to defraud caused to be transmitted in interstate commerce by means of wire communication, certain signs, signals, and sounds, which accomplished the wire transfer of funds from investment accounts belonging to Matthes' clients to his personal bank account:

COUNT	DATE	WIRE	AMOUNT	CLIENT
ONE	January 26, 2017	Pacific Life IRA Contract/Account XXXXXX5862 to U.S. Bank Checking Account XXXXXXXXXX2830	\$35,000	J.S.
TWO	April 21, 2017	Pacific Life IRA Contract/Account XXXXXX3977 to U.S. Bank Checking Account XXXXXXXXXX2830	\$50,000	C.S.
THREE	February 23, 2018	Pacific Life IRA Contract/Account XXXXXX7286 to U.S. Bank Checking Account XXXXXXXXXX2830	\$10,000	S.S.

Each in violation of Title 18, United States Code, Section 1343.


MATTHEW D. KRUEGER
United States Attorney
Dated: 11/25/2020